

*Financial Statement*

**CITY OF WINONA**  
Winona, Kansas

*For the Year Ended December 31, 2012*

**CITY OF WINONA, KANSAS**  
**FINANCIAL STATEMENT**  
**For the Year Ended December 31, 2012**

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## GUDENKAUF & MALONE, INC.

### Shareholder

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### Shareholder

James Malone, CPA

## **INDEPENDENT AUDITORS' REPORT**

Honorable Mayor and City Council  
City of Winona  
Winona, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Winona, Kansas, as of and for the year ended December 31, 2012, and the related notes to the financial statement.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note A of the financial statement, the financial statement is prepared by the City of Winona, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

*Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Winona, Kansas as of December 31, 2012, or changes in financial position and cash flows thereof for the year then ended.

*Opinion on Regulatory Basis of Accounting*

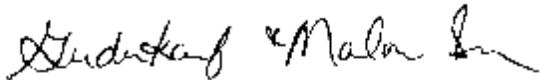
In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Winona, Kansas as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

*Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

The 2011 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget, (Schedule 2 as listed in the table of contents) is also

presented for comparative analysis and is not a required part of the 2011 basic financial statement upon which we rendered an unqualified opinion dated July 27, 2012. The 2011 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2011 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 basic financial statement. The 2011 comparative information was subjected to the auditing procedures applied in the audit of the 2011 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2011 basic financial statement or to the 2011 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2011 comparative information is fairly stated in all material respects in relation to the 2011 basic financial statement as a whole, on the basis of accounting described in Note A.



Gudenauf & Malone, Inc.  
October 1, 2013

## CITY OF WINONA, KANSAS

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH**  
**Regulatory Basis**  
**For the Year Ended December 31, 2012**

Statement 1

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	\$ 138,287	\$ 10,000	\$ 97,821	\$ 104,831	\$ 136,477	\$ 18,719	\$ 155,196
Special Purpose Funds							
Employee benefits	8,164	-	6,255	7,012	7,407	-	7,407
Special street and highway	2,465	-	4,223	5,018	1,670	-	1,670
Special machinery	50,755	-	-	-	50,755	-	50,755
Bond and Interest Fund							
Bond and interest	15,162	-	12,432	26,919	695	-	695
Business Funds							
Water utility	86,721	-	72,807	57,028	102,500	707	103,207
Sewer utility	47,591	-	24,694	56,522	15,673	20,500	36,173
Gas utility	19,443	-	97,270	53,806	62,907	-	62,907
Gas utility revenue bond and interest	8,116	-	32	8,148	-	-	-
Gas surplus	897	-	-	897	-	-	-
Gas bond reserve	5,046	-	-	5,046	-	-	-
Total Reporting Entity	<u>\$ 383,557</u>	<u>\$ 10,000</u>	<u>\$ 309,752</u>	<u>\$ 325,227</u>	<u>\$ 378,084</u>	<u>\$ 39,926</u>	<u>\$ 418,010</u>
Composition of Cash							
Checking Account							
The Bank, Winona, Kansas							\$ 418,010
Total Cash							<u>\$ 418,010</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF WINONA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For Year Ended December 31, 2012**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Municipal Financial Reporting Entity**

The City of Winona, Kansas, a municipality, was organized in 1886 and operates as a third class city in accordance with the laws of the State of Kansas. The City has a population of approximately 170 and is governed by an elected mayor and five-member council. This financial statement includes all services provided by the City to residents and businesses within its boundaries. Services provided include highway and streets, sanitation, culture and recreation, planning and zoning, public improvements and general administrative services. In addition the City owns and operates three enterprise activities: a water system, a natural gas system and a local sewer system.

**Regulatory Basis Fund Types**

**General Fund** - The chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

**Special Purpose Fund** - Used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

**Bond and Interest Fund** - Used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

**Capital Project Fund** - Used to account for the debt proceeds and other financial resources to be used for the acquisition or construction of major capital facilities or equipment.

**Business Fund** - Financed in whole or in part by fees charged to the users of the goods or services (i.e., business and internal service fund).

**Basis of Accounting**

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent to future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

**Reimbursements**

The City of Winona records reimbursable expenditures (or expenses) in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures (or expenses) are properly offset by the reimbursements.



**CITY OF WINONA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For Year Ended December 31, 2012**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Property Taxes

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser annually determines assessed valuations based on real estate transactions recorded by the Register of Deeds and personal property transactions reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Property taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. The taxes are due one-half on December 20th and one-half the following May 10th. Any taxes unpaid at the due dates are considered delinquent.

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year; such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current operation of the City and therefore are not susceptible to accrual.

Undistributed taxes from the prior year levy are recognized as income in the current year. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the audit period and, further, the amounts thereof are not material to the financial statement taken as a whole.

Restricted Assets

The cash balances in the gas utility revenue bond & interest, gas surplus and gas bond reserve funds are restricted for future use as required by the gas revenue bond ordinance. These funds were closed out in 2012.

**NOTE B - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of



**CITY OF WINONA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For Year Ended December 31, 2012**

**NOTE B - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY - CONTINUED**

individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds:

Gas Surplus  
Gas Bond Reserve

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Compliance with Kansas Statute

K.S.A. 79-2935 requires expenditures shall not exceed the total amount of the adopted budget of expenditures for any fund for the budget year. The Bond and Interest Fund spent \$143 more than the adopted budget of expenditures. The Gas Utility Revenue Bond and Interest Fund spent \$114 more than the adopted budget of expenditures.

**NOTE C - DEPOSITS AND INVESTMENTS**

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City did not designate any "peak periods" in 2012. All deposits were legally secured at December 31, 2012.

At December 31, 2012, the City's carrying amount of deposits was \$418,010 and the bank balance was \$430,569. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000, was covered by federal deposit insurance and \$180,569 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

**CITY OF WINONA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For Year Ended December 31, 2012**

**NOTE C - DEPOSITS AND INVESTMENTS - CONTINUED**

**Custodial credit risk** - investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments be adequately secured.

**NOTE D - INTERFUND TRANSFERS**

Operating transfers were as follows:

From	To	Statutory Authority	Amount
Gas Utility Revenue Bond & Interest	Gas Utility	K.S.A. 12-825d	\$2,753
Gas Surplus	Gas Utility	K.S.A. 12-825d	\$897
Gas Bond Reserve	Gas Utility	K.S.A. 12-825d	\$5,046

**NOTE E - OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS**

**Compensated Absences**

The City's policies regarding vacation and sick pay allow full-time employees to accumulate a maximum of 10 days vacation and 12 days of sick pay per year. No employee may accrue more than 22 days of sick pay. Employees are not allowed to accrue vacation days beyond the City's fiscal year. Policies prohibit payment of vacation time in lieu of time off and the time in which the vacation is used must be in mutual agreement between the employee and the council. All accumulated sick pay is payable upon employment termination. The costs of accumulated compensated absences are not recorded at the time the benefits are earned, but rather at the time such benefits are paid.

**NOTE F - COMMITMENTS**

The City entered into a gas supply agreement in August 1993 for the delivery of natural gas. The original agreement was for the term of eighty-four (84) months and is annually renewable after the original term. The City is obligated to purchase a minimum of 4,060 MMBtu annually with at least 45% of that quantity being purchased during April through October of each contract year. The cost of natural gas is determined annually based on the escalation clause stated in the contract.

**NOTE G - CLAIMS AND JUDGEMENTS**

The City participated in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of October 1, 2013, grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Insurance claims have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from coverage in prior years. The City council declined insurance coverage on the water tower and terrorism for 2012.

**CITY OF WINONA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For Year Ended December 31, 2012**

**NOTE G - CLAIMS AND JUDGEMENTS - CONTINUED**

During the ordinary course of its operations, the City is party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

**NOTE H - RELATED PARTY TRANSACTIONS**

In a governmental entity, related parties include members of the governing body, board members, administrative officials, and immediate families of administrative officials, board members, and members of the governing body. Required disclosures on related party transactions do not include compensation arrangements, expense allowance and similar items incurred in the ordinary course of operations. The following are not required to be reported, but are presented for information only.

	2012
<b>The Bank</b>	
Guy Gaskill & Dave Lamb, Council Members are employees of the bank.	
Miscellaneous office expenses in the amount of:	\$9
<b>Winona Feed &amp; Grain</b>	
Donita Goyen, City Treasurer is an employee of company.	
Supplies in the amount of:	\$147
<b>Bartell Drilling</b>	
Kyle Bartell, Council Member is the owner of the company.	
Repairs in the amount of:	\$114
<b>Frontier Ag</b>	
Kyle Bartell, Council Member wife is employee of the company.	
Gas & oil expenses in the amount of:	\$40
<b>Logan County Treasurer</b>	
Randy Moore, Council Member is an employee of County.	
Property tax in the amount of:	\$78

**NOTE I - LONG-TERM DEBT**

Changes in long-term liabilities for the City of Winona for the year ended December 31, 2012, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Gas System Bonds	6 7-7 1%	04/01/92	\$300,000	09/01/12	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ 1,775
Revenue Bonds									
Gas System Bonds	7.9%	04/01/92	\$ 30,000	09/01/12	\$ 000	-	3,000	-	395
Total Bonded Indebtedness					30,000	-	30,000	-	2,170

**CITY OF WINONA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For Year Ended December 31, 2012**

**NOTE J - SUBSEQUENT EVENTS**

In June 2013, the council voted to apply for a loan from the USDA in the amount of \$787,000 for a term of 40 years with an interest rate of 2.75%. In August 2013, the council voted to accept a Community Development Block Grant in the amount of \$344,000 from the Kansas Department of Commerce. The funds will be used for a sewer project commencing in 2014. Bids will be let in the fall of 2013.

Management has evaluated the effects on the financial statement of subsequent events occurring through October 1, 2013 which is the date at which the financial statement was available to be issued.

CITY OF WINONA  
REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2012

## CITY OF WINONA, KANSAS

Schedule 1

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**  
**Regulatory Basis**  
**For the Year Ended December 31, 2012**

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Fund	\$ 206,494	\$ -	\$ 206,494	104,831	(101,663)
Special Purpose Funds					
Employee benefits	14,825	-	14,825	7,012	(7,813)
Special street and highway	7,943	-	7,943	5,018	(2,925)
Special machinery	80,483	-	80,483	-	(80,483)
Bond and Interest Fund					
Bond and interest	26,776	-	26,776	26,919	143
Business Funds					
Water utility	123,233	-	123,233	57,038	(66,205)
Sewer utility	64,577	-	64,577	56,522	(8,055)
Gas utility	233,134	-	233,134	53,806	(179,328)
Gas utility revenue bond and interest	8,034	-	8,034	8,148	114

## CITY OF WINONA, KANSAS

Schedule 2-1

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET**

Regulatory Basis

For the Year Ended December 31, 2012

With Comparative Actual Totals for the Prior Year Ended December 31, 2011

**GENERAL FUND**

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Cash Receipts</b>				
Taxes and shared revenues				
Ad valorem property tax	\$ 33,699	\$ 54,017	\$ 53,943	\$ 74
Motor & recreational vehicle tax	5,720	5,923	5,324	599
Intangible tax	1,181	931	523	408
Delinquent Tax	-	68	-	68
State proceeds	20,449	20,502	20,000	502
Redemption Tax	-	78	-	78
Licenses and permits	270	229	500	(271)
Cemetery	1,025	650	1,000	(350)
Franchise tax	5,872	6,720	6,000	720
Miscellaneous	4,440	2,903	6,000	(3,097)
Transfer from gas utility	40,000	-	-	-
<b>Total Cash Receipts</b>	<b>112,656</b>	<b>92,021</b>	<b>\$ 93,290</b>	<b>\$ (1,269)</b>
<b>Expenditures</b>				
<b>General Government</b>				
Personal services	26,775	25,390	35,000	\$ (9,610)
Utilities	5,536	6,299	10,000	(3,701)
Supplies and office expense	5,287	3,988	7,500	(3,512)
Equipment and building maintenance	2,195	3,580	12,000	(8,420)
Insurance and bond premium	5,974	6,223	10,000	(3,777)
Capital outlay	3,258	20,219	25,386	(5,167)
Miscellaneous	1,109	1,223	-	1,223
Professional services	7,791	18,124	15,000	3,124
Neighborhood Revitalization Rebate	460	1,012	-	1,012
<b>Total General Government</b>	<b>58,385</b>	<b>86,058</b>	<b>114,886</b>	<b>(28,828)</b>
<b>Street Department</b>				
Personal services	2,603	3,145	7,500	(4,355)
Repairs and maintenance	1,451	2,924	7,500	(4,576)



## CITY OF WINONA, KANSAS

Schedule 2-1

SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

With Comparative Actual Totals for the Prior Year Ended December 31, 2011

## GENERAL FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Street lighting	4,440	4,850	8,000	(3,150)
Gas and oil	1,891	1,323	5,000	(3,677)
Spraying trees	3,500	3,500	10,000	(6,500)
Capital outlay	-	-	18,608	(18,608)
Total Street Department	13,885	15,742	56,608	(40,866)
Fire Department				
Capital Outlay	-	-	-	-
Repairs	677	-	-	-
Total Fire Department	677	-	-	-
Noxious Weed				
Chemicals	736	666	-	666
Cemetery				
Repairs and maintenance	76	50	5,000	(4,950)
Supplies	-	15	5,000	(4,985)
Contractual services	2,500	2,300	5,000	(2,700)
Total Cemetery	2,576	2,365	15,000	(12,635)
Transfer to Special Machinery	-	-	20,000	(20,000)
Total Expenditures	76,279	104,831	\$ 206,494	\$ (101,663)
Receipts Over (Under) Expenditures	36,377	(12,810)		
Unencumbered Cash, Beginning	102,510	139,287		
Prior year cancelled encumbrances	400	10,000		
Unencumbered Cash, Ending	\$ 139,287	\$ 136,477		

## CITY OF WINONA, KANSAS

Schedule 2-2

SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

With Comparative Actual Totals for the Prior Year Ended December 31, 2011

## EMPLOYEE BENEFITS FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Ad valorem tax	\$ 5,137	\$ 5,313	\$ 5,306	\$ 7
Delinquent Tax	-	11	-	11
Redemption Tax	21	12	-	12
Motor & recreational vehicle tax	889	919	826	93
Total Cash Receipts	6,047	6,255	\$ 6,132	\$ 123
Expenditures				
Social Security	4,661	4,644	\$ 5,500	\$ (856)
Unemployment insurance	61	60	250	(190)
Workman's compensation	393	2,208	2,575	(367)
Insurance	1,768	-	5,000	(5,000)
Retirement/Medical	-	-	1,500	(1,500)
Neighborhood Revitalization	-	100	-	100
Total Expenditures	6,883	7,012	\$ 14,825	\$ (7,813)
Receipts Over Expenditures	(836)	(757)		
Unencumbered Cash, Beginning	9,000	8,164		
Unencumbered Cash, Ending	\$ 8,164	\$ 7,407		

**CITY OF WINONA, KANSAS**

**Schedule 2-3**

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET**

**Regulatory Basis**

**For the Year Ended December 31, 2012**

**With Comparative Actual Totals for the Prior Year Ended December 31, 2011**

**SPECIAL STREET AND HIGHWAY FUND**

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
Cash Receipts				
State proceeds	\$ 4,540	\$ 4,223	\$ 5,170	\$ (947)
Expenditures				
Personal services	3,412	-	\$ 5,000	\$ (5,000)
Repairs and maintenance	657	5,000	1,943	3,057
Fuel	769	18	1,000	(982)
Total Expenditures	4,838	5,018	\$ 7,943	\$ (2,925)
Receipts Over (Under) Expenditures	(298)	(795)		
Unencumbered Cash, Beginning	2,763	2,465		
Unencumbered Cash, Ending	\$ 2,465	\$ 1,670		

**CITY OF WINONA, KANSAS**

**Schedule 2-4**

**SCHEDULE OF RECEIPTS AND EXPENDITURES**

**ACTUAL AND BUDGET**

**Regulatory Basis**

**For the Year Ended December 31, 2012**

**With Comparative Actual Totals for the Prior Year Ended December 31, 2011**

**SPECIAL MACHINERY FUND**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Transfer from General Fund	\$ -	\$ -	\$ 20,000	\$ (20,000)
Transfer from gas utility fund	10,000	-	-	-
Total Cash Receipts	10,000	-	\$ 20,000	\$ (20,000)
Expenditures				
Equipment Repairs	728	-	\$ 80,483	\$ (80,483)
Receipts Over (Under) Expenditures	9,272	-		
Unencumbered Cash, Beginning	41,483	50,755		
Unencumbered Cash, Ending	\$ 50,755	\$ 50,755		

**CITY OF WINONA, KANSAS**

Schedule 2-5

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET**

**Regulatory Basis**

**For the Year Ended December 31, 2012**

**With Comparative Actual Totals for the Prior Year Ended December 31, 2011**

**BOND AND INTEREST FUND**

		<u>Current Year</u>		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Ad valorem tax	\$ 27,234	\$ 7,402	\$ 7,392	\$ 10
Delinquent Tax	-	56	-	56
Motor & Recreational Vehicle Tax	4,918	4,929	4,381	548
Redemption Tax	<u>115</u>	<u>65</u>	<u>-</u>	<u>65</u>
Total Cash Receipts	<u>32,267</u>	<u>12,452</u>	<u>\$ 11,773</u>	<u>\$ 679</u>
Expenditures				
Principal	25,000	25,000	\$ 25,000	\$ -
Interest	3,538	1,775	1,776	(1)
Cash Basis Reserve	-	-	-	-
Neighborhood Revitalization	-	139	-	139
Miscellaneous expense	<u>4</u>	<u>5</u>	<u>-</u>	<u>5</u>
Total Expenditures	<u>28,542</u>	<u>26,919</u>	<u>\$ 26,776</u>	<u>\$ 143</u>
Receipts Over (Under) Expenditures	3,725	(14,467)		
Unencumbered Cash, Beginning	<u>11,437</u>	<u>15,162</u>		
Unencumbered Cash, Ending	<u>\$ 15,162</u>	<u>\$ 695</u>		

## CITY OF WINONA, KANSAS

Schedule 2-6

## SCHEDULE OF RECEIPTS AND EXPENDITURES

## ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended December 31, 2012

With Comparative Actual Totals for the Prior Year Ended December 31, 2011

## WATER UTILITY FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Water sales	\$ 54,376	\$ 72,189	\$ 42,000	\$ 30,189
Connection fees	525	-	1,000	(1,000)
Refunds and miscellaneous	-	-	500	(500)
Penalties	458	618	1,000	(382)
Total Cash Receipts	<u>55,359</u>	<u>72,807</u>	<u>\$ 44,500</u>	<u>\$ 28,307</u>
Expenditures				
Personal services	13,591	13,706	\$ 20,000	\$ (6,294)
Utilities	9,065	10,706	12,000	(1,294)
Repairs	7,061	8,911	30,000	(21,089)
Taxes	745	571	1,500	(929)
Fuel	1,230	620	3,000	(2,380)
Chemicals	245	1,026	1,000	26
Capital Outlay	-	17,995	55,733	(37,738)
Miscellaneous	8,684	3,493	-	3,493
Total Expenditures	<u>40,621</u>	<u>57,028</u>	<u>\$ 123,233</u>	<u>\$ (66,205)</u>
Receipts Over (Under) Expenditures	14,738	15,779		
Unencumbered Cash, Beginning	<u>71,983</u>	<u>86,721</u>		
Unencumbered Cash, Ending	<u>\$ 86,721</u>	<u>\$ 102,500</u>		

## CITY OF WINONA, KANSAS

Schedule 2-7

SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2012

With Comparative Actual Totals for the Prior Year Ended December 31, 2011

## SEWER UTILITY FUND

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Customer charges	\$ 11,350	\$ 24,694	\$ 12,500	\$ 12,194
Total Cash Receipts	<u>11,350</u>	<u>24,694</u>	<u>\$ 12,500</u>	<u>\$ 12,194</u>
Expenditures				
Personal services	5,342	3,884	\$ 10,000	\$ (6,116)
Chemicals	636	-	1,000	(1,000)
Professional Services	-	20,500	-	20,500
Repairs	<u>4,347</u>	<u>32,138</u>	<u>53,577</u>	<u>(21,439)</u>
Total Expenditures	<u>10,325</u>	<u>56,522</u>	<u>\$ 64,577</u>	<u>\$ (8,055)</u>
Receipts Over (Under) Expenditures	1,025	(31,828)		
Unencumbered Cash, Beginning	<u>46,476</u>	<u>47,501</u>		
Unencumbered Cash, Ending	<u>\$ 47,501</u>	<u>\$ 15,673</u>		



## CITY OF WINONA, KANSAS

Schedule 2-8

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET**

Regulatory Basis

For the Year Ended December 31, 2012

With Comparative Actual Totals for the Prior Year Ended December 31, 2011

**GAS UTILITY FUND**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Gas sales	\$ 94,889	\$ 86,851	\$ 150,000	\$ (63,149)
Miscellaneous	82	149	-	149
Connection fees	675	667	1,000	(333)
Penalties	360	622	500	122
Interest income	412	284	400	(116)
Transfers	-	8,697	8,582	115
Total Cash Receipts	<u>96,418</u>	<u>97,270</u>	<u>\$ 160,482</u>	<u>\$ (63,212)</u>
Expenditures				
Personal services	9,706	14,580	\$ 20,000	\$ (5,420)
Operation and maintenance	91,566	35,960	207,634	(171,674)
Taxes	1,715	1,548	5,000	(3,452)
Telephone	-	-	500	(500)
Miscellaneous	1,815	1,718	-	1,718
Transfer to general fund	40,000	-	-	-
Transfer to gas revenue bond & int fund	830	-	-	-
Transfer to special machinery fund	10,000	-	-	-
Total Expenditures	<u>155,632</u>	<u>53,806</u>	<u>\$ 233,134</u>	<u>\$ (179,328)</u>
Receipts Over (Under) Expenditures	(59,214)	43,464		
Unencumbered Cash, Beginning	<u>78,657</u>	<u>19,443</u>		
Unencumbered Cash, Ending	<u>\$ 19,443</u>	<u>\$ 62,907</u>		

## CITY OF WINONA, KANSAS

Schedule 2-9

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
ACTUAL AND BUDGET**

Regulatory Basis

For the Year Ended December 31, 2012

With Comparative Actual Totals for the Prior Year Ended December 31, 2011

**GAS UTILITY REVENUE BOND AND INTEREST FUND**

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
Cash Receipts				
Interest	\$ 82	\$ 32	\$ -	\$ 32
Transfer from gas utility fund	830	-	-	-
Total Cash Receipts	912	32	\$ -	\$ 32
Expenditures				
Principal	5,000	5,000	\$ 5,000	\$ -
Interest	790	395	395	-
Transfer to Gas Utility	-	2,753	2,639	114
Total Expenditures	5,790	8,148	\$ 8,034	\$ 114
Receipts Over (Under) Expenditures	(4,878)	(8,116)		
Unencumbered Cash, Beginning	12,994	8,116		
Unencumbered Cash, Ending	\$ 8,116	\$ -		

**CITY OF WINONA, KANSAS**

**Schedule 2-10**

**SCHEDULE OF RECEIPTS AND EXPENDITURES**

**Regulatory Basis**

**For the Year Ended December 31, 2012**

**With Comparative Actual Totals for the Prior Year Ended December 31, 2011**

**GAS SURPLUS FUND**

	<u>2011</u>	<u>2012</u>
Cash Receipts	<u>\$ -</u>	<u>\$ -</u>
Expenditures		
Transfer to Gas Utility	<u>-</u>	<u>897</u>
Total Expenditures	-	897
Receipts Over (Under) Expenditures	-	\$ (897)
Unencumbered Cash, Beginning	<u>897</u>	<u>897</u>
Unencumbered Cash, Ending	<u><u>\$ 897</u></u>	<u><u>\$ -</u></u>

**CITY OF WINONA, KANSAS**

**Schedule 2-11**

**SCHEDULE OF RECEIPTS AND EXPENDITURES**

**Regulatory Basis**

**For the Year Ended December 31, 2012**

**With Comparative Actual Totals for the Prior Year Ended December 31, 2011**

**GAS BOND RESERVE FUND**

	<u>2011</u>	<u>2012</u>
Cash Receipts		
Transfer from gas utility fund	<u>\$ -</u>	<u>\$ -</u>
Expenditures		
Transfer to Gas Utility	<u>-</u>	<u>5,046</u>
Receipts Over (Under) Expenditures	-	(5,046)
Unencumbered Cash, Beginning	<u>5,046</u>	<u>5,046</u>
Unencumbered Cash, Ending	<u><u>\$ 5,046</u></u>	<u><u>\$ -</u></u>